



Culver City Municipal Bus System

Overall Disadvantaged (DBE) Goal and Methodology for Federal Fiscal Years 2023-2025
 Covering the Period of July 1, 2023 to September 30, 2025.

1 INTRODUCTION

Culver City Municipal Bus System (Culver CityBus) is required to develop and submit a Disadvantaged Business Enterprise (DBE) Overall Goal for DBE participation as a condition of receiving federal and the Federal Transportation Administration (FTA) Master Agreement. Pursuant to US DOT final rule issued on May 10, 2010, which outlines implementation and management of the grant recipients' Disadvantaged Business Enterprise Programs, Culver City is required to submit a goal-setting methodology on a three-year basis. The goal is reviewed annually and further refined based on changing circumstances (i.e., new funding availability, new rules announced by regulatory agencies). Culver City' goal was originally due to the FTA on September 30, 2022. However, Culver City sought and was given extensions until July 1, 2023.

2 BACKGROUND AND GOAL AMOUNT

Culver City's Disadvantaged Business Enterprise (DBE) Goal for the three-year period (Federal Fiscal Year 2023,2024, and 2025) covered by this report is 14.19% as determined by the goal setting process outlined in subsequent sections.

3 FEDERALLY FUNDED CONTRACTS FOR FFY2023-2025

Culver City reviewed its planned expenditures for the period covered by this goal analysis. It decided that there are ten distinct projects for which federal funding will be allocated.

Table 1 2023-2025 Federally Funded Contracts

Project	Element	NAICS & Description	Cost
PB001 - CNG Buses	Bus Replacement	423110 - Automobile and other motor vehicle merchant wholesalers	22,541,064
PB001 - CNG Buses	CNG - Overhaul Cosmetic Improvements	423110 - Automobile and other motor vehicle merchant wholesalers	200,000
PB001 - CNG Buses	CNG - Technology Improvements	441310 - Automotive parts and accessories stores	105,000

Project	Element	NAICS & Description	Cost
PB003 - DAR Vehicle	30' Cutaway replacement	423110 - Automobile and other motor vehicle merchant wholesalers	1,050,000
PB006 - Ongoing lease for Tires	Tire Lease for Transit Vehicles	441310 - Automotive parts and accessories stores	331,524
PB008 - Transportation Facility Improvements	Investments in building infrastructure	236210 - Industrial building construction	1,893,711
PB009 - Bus Stop Improvements	Bus Stop Improvements	237310 - Highway, street, and bridge construction	2,581,250
PB011 - Transportation Vehicles	Admin. Sedan	423110 - Automobile and other motor vehicle merchant wholesalers	45,000
PB011 - Transportation Vehicles	Shop Truck	423110 - Automobile and other motor vehicle merchant wholesalers	85,000
PB012 - Transportation Equipment	Facility Generator	221118 - Other electric power generation	350,000
PB012 - Transportation Equipment	Walk-behind Scrubber	423440 - Other commercial equipment merchant wholesalers	35,000
PB018 - Shop Lifts	Bay 1 Twin Post	236210 - Industrial building construction	600,000
PM - Preventative Maintenance - Parts	Costs for Parts sourced in Equipment Maintenance	441310 - Automotive parts and accessories stores	3,780,000
PS021 - Jefferson Circulator	Anticipated equipment for Vehicles	423690 - Other electronic parts and equipment merchant wholesalers	432,000
PS021 - Jefferson Circulator	Anticipated Purchase of Transit Vehicle	423110 - Automobile and other motor vehicle merchant wholesalers	1,509,000
Grand Total			35,538,549

4 GOAL METHODOLOGY

Culver City selected Caltrans Region 7 for its geographic basis to decide the applicable market which Culver City's anticipated procurements will have market reach and responded to by contractors. Caltrans Region 7 comprises the counties of Los Angeles and Ventura.

To decide the number of businesses which reside in the geographic area, Culver City used the US Census Bureau 2020 County Business Patterns data for the geographic areas of Los Angeles and Ventura County. To establish the number of DBEs within the same geographic area by NAICS, Culver City utilized Caltrans CUP database.

4.1 STEP 1

4.1.1 Base goal

Table 2 shows the data on total businesses in Region 7 and DBEs. The base goal is determined by dividing the Area Businesses by the DBEs. With no further adjustments, the DBE will be 7.87% as shown in Table 1.

Table 2 Base Goal Calculation

NAICS & Description	Area Businesses	DBE	Base Goal
221118 - Other electric power generation	8	1	0.13
236210 - Industrial building construction	306	192	1.25
237310 - Highway, street, and bridge construction	880	1,130	6.42
423110 - Automobile and other motor vehicle merchant wholesalers	2,958	12	0.02
423440 - Other commercial equipment merchant wholesalers	417	8	0.02
423690 - Other electronic parts and equipment merchant wholesalers	1,284	20	0.02
441310 - Automotive parts and accessories stores	5,385	12	0.01
Grand Total	11,238	1,375	7.87

4.1.2 Weighting Base Figure

The base goal is artificially low. This is because there is no applied weighting of the relative value each element has to the entire program as presented in Table 1. Therefore, substituting a weighted value (Element cost divided by total program cost) multiplied by the base goal will proportion the magnitude of each element's financial value on the overall goal. Table 3 shows the program's adjusted goal with the use of weighted values.

Table 3 DBE Weighted Base Figure

NAICS	Area Businesses	DBE	Base Goal	Weight	Goal
221118	8	1	0.13	0.98%	0.12%

236210	306	192	1.25	7.02%	4.40%
237310	880	1,130	6.42	7.26%	9.33%
423110	2,958	12	0.02	71.56%	0.29%
423440	417	8	0.02	0.10%	0.00%
423690	1,284	20	0.02	1.22%	0.02%
441310	5,385	12	0.01	11.86%	0.03%
Goal					14.19%

4.2 STEP 2

4.2.1 Agency Past Performance

Culver City has reported no DBE contracts in the past three federal fiscal years for which the goal of 14.22% was determined. The lack of any data to evidence the performance of the program makes using it as a measure of future performance ineffective. Table four outlines DBE goal attainment as reported over the prior goal period of 2020, 2021, and 2022.

Table 4 DBE Program Performance

Measure	2020	2021	2022	Grand Total
Prime contracts awarded this period amount	1,241,170	3,012,348	483,022	4,736,540
Prime contracts awarded this period	2	5	1	8
Total Dollars to DBEs	0	0	0	0
Total No. of DBEs contracted	0	0	0	0

4.2.2 Consultation of Disparity Studies

Culver City operates as a small urban fleet and does not possess the resources to produce a disparity study of its own. To substitute, Culver City consulted disparity studies from other agencies.

4.2.2.1 Caltrans Disparity Study 2022

Caltrans produced a disparity study in 2022. The agency produced a wide-ranging study which found large disparities in the types of work which are awarded across race and gender. This included all transit services, construction, good and services, and professional services. Caltrans found a weighted average across the above categories of 21%. Culver City feels this goal is overly ambitious to consider considering the City's previous performance on meeting goals. The significant difference in the goal between Caltrans and Culver City is most surely because of the differing geographic profiles in which they operate. Caltrans has a contracting pool which far exceeds the reach of Culver City. Therefore, the representative amount of difference is likely from relative availability of DBEs.

4.2.2.2 LA Metro Disparity Study 2017

Culver City consulted the LA Metro Disparity study from 2017. While the report does provide evidence for disparity in the market, the scope of work and the methodology for fulfilling goal requirements focus heavily on the reliance of data reported for subcontractors. The overall scope and complexity of the types of agreements being used at LA Metro make a comparison difficult when contrasted with the simple contracting methods used to deliver federally funded work in Culver City. However, LA Metro is presently in revision of its study. Culver City will revisit upon release to assess if greater data can be obtained to inform any goal revisions for Culver City.

4.2.3 Other Evidence

Culver City found no other evidence to suggest adjustments to the goal calculation. Culver City has reviewed its own contracting processes to assess if barriers to entry exist. At present, Culver City carries higher than industry standard on general liability and other required insurances. However, there is no evidence to suggest that any of the inhibits participation by DBEs and the City routinely makes modifications to requirements on a case-by-case basis as determined by the scope of work and in compliance with all local and federal requirements.

4.3 RESULTING ADJUSTMENTS

Culver City found no reason to make an adjustment to its Base Goal as determined by Step 1 and Step 2 of the Goal Setting process. Therefore, the goal of 14.19% stands for Federal Fiscal Years 2023, 2024, and 2025.

5 RACE NEUTRAL PARTICIPATION MEASURES

In accordance with Title 49 CFR Part 26 (and particularly subsection 26.51), Culver City will utilize race-neutral measures to reach the established DBE goal for Federal Fiscal Years 2023, 2024, and 2025. These measures include, but are not limited to:

- Logistically arranging bids in ways that facilitate and encourage participation by DBEs and other small businesses.
- Providing technical assistance and other services.
- Disseminating information in accessible ways (e.g., in languages other than English, where appropriate).
- Aiding DBEs and small businesses in overcoming obstacles to obtain bonding or financing.
- Supporting DBEs to improve long-term development and eventually achieve self-sufficiency.
- Ensuring a wide range of distribution in its DBE directory, through print and electronic means, to attract potential prime contractors; and
- Assisting DBEs and other small businesses to develop their technological aptitude to conduct business through electronic media.

6 PUBLIC PARTICIPATION PROCESS

In accordance with Public Participation Regulatory Requirements of Title 49 CFR Part 26, minority, women, local business chambers, and community organizations within the City of Culver City's market area will be consulted and provided an opportunity to review the goal analysis and provide input.

The City of Culver City will prepare outreach consultation advising the business community of the proposed DBE goal analysis and its availability for review and comment. Additionally, Culver City will hold consultation sessions with interested organizations and stakeholders who could be expected to have information concerning the availability of disadvantaged and non-disadvantaged businesses, the effects of discrimination on opportunities for DBEs, and efforts to establish a level playing field for the participation of DBEs.

The City of Culver City will also post a Public Notice and the City of Culver City' proposed Overall Goal for the FFY 2023-2025 FTA-assisted contracts on its website. Culver City will consider all comments and input and assess its impact on the proposed Overall DBE Goal. If no impact and/or comments are received during the public participation process lasting 45 days, the Goal will be considered final.

7 RESPONDING TO THIS DOCUMENT

7.1 WRITTEN COMMENT

Members of the public wishing to comment on DBE goal calculation may do so in writing by emailing all comments to TransitAdmin@culvercity.org. Alternatively, members of the public wishing to provide comment in writing may do so by mailing comments to:

Culver City Transportation Department
Attention: DBE Program Administrator
4343 Duquesne Ave.
Culver City, CA 90232

7.2 WEBINAR

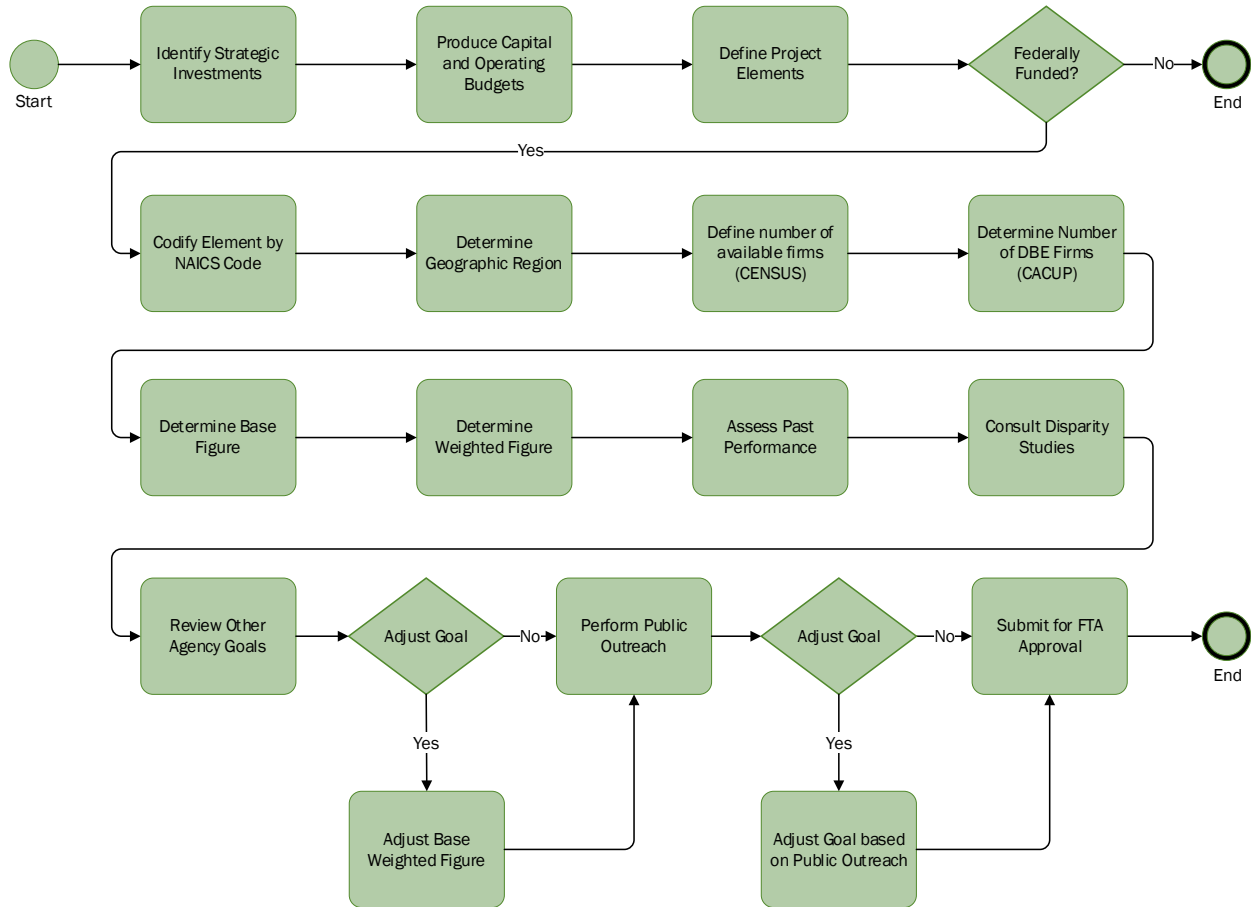
Culver City Transportation Department will hold a public meeting on June 7, 2023 at 4:00 P.M. Members of the public wishing to participate may register at:
<https://culvercity.webex.com/weblink/register/r9adb3c45ba042d30ee9eba1b63e71aed>.

Please note advance registration is needed to participate in the webinar. If you are unable to complete the registration process online, please email TransitAdmin@culvercity.org or call (310) 253-6591.

8 DBE GOAL PROCESS

Figure 1 provides a graphical representation of the process Culver City used to set its goal for Federal Fiscal Year 2023-2025.

Figure 1 DBE Goal Process



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